

CITY OF AMERICAN CANYON

Planning/Building Department

Gateway to the Napa Valley



HOUSING POLICY
DEVELOPMENT, HCD

APR 17 2007

11 April 2007

Paul McDougall
Housing Policy Development Division
California Department of Housing and Community Development
1800 3rd Street, Room 430
Sacramento, CA 95814

Dear Mr. McDougall:

Attached please find the 2006 Calendar Year Annual Housing Report for the City of American Canyon. This is submitted in compliance with Government Code §65400. Please feel free to contact me if I can provide any additional information.

Yours sincerely,

Sandra Cleisz
Interim Planning Director

C: Mayor and City Council
Richard Ramirez, City Manager
William Chiat, Consultant

ANNUAL HOUSING PROGRESS REPORT*In Compliance with Government Code §65400*Calendar Year **2006****Progress in Meeting Regional Housing Need**

1. During the 2006 calendar year, the City issued 92 new residential building permits, and finalized 171 residential building permits. Because a number of the new permits were for multi-family units, the 92 permits equals some 225 units, two-thirds of which are designated for lower or very low income households.
2. Of the units constructed or under construction in 2006, a significant number are designated for low and very low income residents. Those units include:

	Total Units	Very Low Income 50% Median	Lower Income 80% Median	Moderate Income 120% Median
Vineyard Place (Mid-Peninsula Housing Coalition)	45		5	31
Vineyard Crossings (Mid-Peninsula Housing Coalition)	144	103	41	
The Lodge at Napa Junction	216	11	11	

3. Comparison to City's Regional Housing Need Assessment (1999-2007)*

Income Category	Number of Units	Percent of Total	Units as of 31 Dec 06	Remaining Housing Need
Very Low (0-50% median)	564	33%	174	390
Lower (50-80% median)				
Moderate (80-120% median)				
Upper (over 120% median)	683	40%	2049	0
TOTAL	1717	100%		

*The unit numbers include those units accepted from the County of Napa as part of a 2004 agreement. That agreement combined the numbers for very low and lower categories.

Effectiveness in Attainment of Community's Housing Goals and Objectives**Program Implementation**

- ◆ **Mobile Home Rent Stabilization and Conversion Ordinances:** The Council reviewed and updated both of these ordinances. American Canyon is home to over 840 mobile home units, the majority of which provide affordable housing for lower and very low income senior citizen households. The City Council established policy direction to minimize any loss of mobile home units and parks, and to insure they remain affordable to low income residents.
- ◆ **Housing Element Updated:** The City updated its housing element as part of the agreement to accept part of the County of Napa's Regional Housing Numbers. As part of the process, the City amended its **General Plan** and **Zoning Ordinance** to accommodate more

housing and more affordable housing in American Canyon. Among the changes in the ordinance are: increasing density in High Residential districts from 16 to 20 units per acre; adding a new Residential Overlay District for high density multi-family uses within Community Commercial and Neighborhood Commercial districts; and altering development standards to increase maximum floor area ratios, increase some building coverage percents, and increase the number of stories and building heights in some areas.

- ◆ **Inclusionary Housing Ordinance:** The City revised and updated its Zoning Ordinance Inclusionary Housing Requirements to address a severe shortage of housing in American Canyon for very low, lower, and moderate income households. The changed ordinance now applies to all new residential construction over 800 square feet; increased affordability restrictions from 10 years to 40 years; significantly increased in-lieu fees from \$3,000 to \$38,770/unit; provides developers the ability to earn credits for affordable units in excess of inclusionary requirements; and eliminates ability for City to provide financial assistance to developers to assist with inclusionary compliance.
- ◆ **Residential Unit Inventory:** The City conducted an inventory in 2006 of all housing units in the city. The inventory provides a foundation of data on a parcel-by-parcel basis of the number of units currently in the City. According to the inventory, there are currently 5,586 housing units in American Canyon. This data is of value as the City begins work on its General Plan update. A breakdown of the units (as of 31 December 2006) in the City includes:

Single Family Homes	4,445
Mobile/Manufactured Homes	843
Apartments	298
- ◆ **Neighborhood Preservation and Code Enforcement:** The City has placed an emphasis on neighborhood preservation and resident quality of life. This has involved continued work to proactively enforce City codes, passage of ordinances which limit signs and other unsightly activity, infrastructure improvements (including the reconstruction and landscaping of the major east-west boulevard through the residential areas of the community), and other work to sustain and enhance a high degree of residential conformity with maintenance and building standards, and enhance the quality of life for City residents.
- ◆ **Affordable Housing Development:** In an effort to assure production of affordable housing the City partnered with the not-for-profit Mid -Peninsula Housing Coalition to construct two projects in American Canyon. Currently both projects are nearing completion and are soon to be occupied. The projects are being built on an 11-acre site dedicated to the City by the nearby Vintage Ranch housing project to fulfill its Inclusionary housing obligation. The projects included financial contributions from the City, as well as other incentives (lowering parking, open space, and sidewalk width requirements) and density bonuses to help make the project successful. The result is two attractive projects: 45 single-family homes and 144 apartments. Of the apartments, 103 will be affordable to very low income households, and 41 to lower income households. For the single-family homes, five will be affordable to lower income households, and 31 to moderate income households.
- ◆ **Housing Rehabilitation and Improvement:** During the year the City put considerable effort in updating its CDBG Program Income Reuse program to focus the efforts of the program on housing rehabilitation and improvement. The City operates its affordable housing programs under a MOU with the Napa Valley Housing Authority. The MOU was updated in 2006 and renewed by the City. The City completely revised its CDBG Program Income Reuse

program with a goal of increasing grants and loans for rehabilitation of affordable single family homes. The City brought the PI Reuse program into compliance with state requirements and federal environmental requirements. It also moved all of the Program Income into its Housing Rehabilitation account. The City is now working with the Napa Valley Housing Authority to lend out the entire \$350,000 in low and no interest loans for single family home rehabilitation.

- ◆ **Rental Assistance and Section 8 Housing Programs:** Through its MOU with the Napa Valley Housing Authority, the City continues to provide rental assistance and Section 8 housing program to 90 households in the City.
- ◆ **Assistance with Construction of Affordable Housing:** As part of several construction projects in 2006, the City provided a variety of vehicles to assist with the construction of affordable housing. Action included: secure BEGIN funds to assist with constructions costs; providing density bonuses; provided land donated to the City in lieu of inclusionary housing fees for construction of affordable projects; reduced some fees; reduced restrictions on setbacks, parking, and sidewalks to accommodate higher densities.

Mitigation of Governmental Constraints

The City continues to make progress in mitigating unnecessary governmental constraints to affordable housing developments. Specific actions include: willingness to partner financially and with land to assure the financial viability of affordable housing projects; fee reductions where appropriate; and waivers/modifications of some development requirements.

The City maintains active partnerships with Mid-Peninsula Housing and the Napa Valley Housing Authority to assist with promotion and education on fair housing practices and to develop and provide quality, affordable housing in American Canyon.

- ◆ **General Plan and Zoning Ordinance Amendments:** The improvements to the General Plan and Zoning Ordinance allowed for denser housing in many areas of the City, and provided opportunities for multi-family development in some commercial districts. Constraints on building heights, stories, building coverage and other restrictions were also modified in some areas of the City.
- ◆ **Conversion of Apartments:** The City denied a request from the developer of a major multi-family apartment building (216 units) to convert the new apartments to condominiums. The City agreed to a conversion in ten years, but wanted to keep a larger stock of more affordable rental units available in the City.